



CHCA

CONNECTICUT HEALTH CARE ASSOCIATES

261 Center Street, Wallingford, CT 06492 • (203) 265-2297 • (203) 284-0624

Testimony of Barbara Simonetta, RN
before the Public Health Committee
March 11, 2015
in support of

H.B. No. 6938 AN ANCT CONCERNING THE DELIVERY OF QUALITY HEALTH CARE AND MODERNIZATION OF HEALTH CARE FACILITIES

Good afternoon members of the committee. My name is Barbara Simonetta and I am the president of Connecticut Health Care Associates, NUHCE, AFSCME and I represent over 1700 Registered Nurses and other health care employees in Connecticut. I am here to speak in support of bills before you dealing with the restructuring of hospitals in Connecticut.

My Union represents nurses and technical employees at Waterbury Hospital, a target of two failed takeovers by for-profit entities in the last three years. After going through those processes, first with LHP and then with Vanguard, which was bought by Tenet, and coupled with the rapid changes brought on by the ACA, it is clear to me that there is a need for substantial reform to our hospital system. Those changes include the need for an overarching policy for our state to protect patients and payers that establishes transparency guidelines when hospitals are bought and sold, the need for transparency for consumers and payers for what health care providers charge and the ability for local hospitals to access capital to maintain quality services. The bills before you lay out a template for such change.

In the interest of time I would like to focus on one of the bills before you today. CHCA supports H.B. No. 6938, an act concerning the delivery of quality health care and modernization of health care facilities.

This bill would explore the possibility of the state being a source of capital for hospitals. Over and over we heard that hospitals need capital to purchase new equipment, update old facilities and modernize. This bill provides a way for the state to assist those entities through its bonding and economic development activities. Earlier this session we heard the Governor's proposal to build a twenty-first century transportation system, this bill provides a mechanism for making sure that our health care system is also modern and meets the needs of our state. For-profit suitors offered our hospital access to Wall Street investment money, but only after taking a substantial profit and paying their executives salaries worth tens of millions of dollars. That premium charged by companies like Tenet

would ultimately be paid for by Connecticut consumers. This bill allows for the same capital access, but without the excess costs those for-profits tack on.

Another component of this bill calls for the bulk purchase of pharmaceuticals by the state for hospital use. Tenet often boasted that it could purchase a drug for a fraction of the cost that a stand-alone hospital would pay. Connecticut has held the line on spiraling drug costs for the lives it covers. It should bring the use of that purchasing power to hold down costs for hospital as well. Rather than generate profits and high pay for CEOs in out of state corporations, these savings could be passed on the Connecticut consumers.

One improvement to the bill would be to move forward with the proposals listed in the bill instead of conducting feasibility studies. Changes are happening rapidly and these common sense proposals will go a long way toward addressing the problems hospitals face.

I would like to thank the hospital roundtable for the work it did and in particular for the leadership of Senators Looney and Fasano. Its work yielded many of the bills on hospitals you are hearing today which we support.

Specifically we support:

Proposed S.B. No. 687 An Act Concerning Notice To Patients of Costs For Routine Health Services;
Proposed S.B. No. 249 An Act Concerning Disputes Between Hospitals and Insurers;
Proposed S.B. No. 809 An Act Concerning Facility Fees;
Proposed S.B. No. 810 An Act Establishing a Special Commission on Provider Price Variation and Reform;
Proposed S.B. No. 811 An Act Concerning Parity in Hospital Sales Oversight;
Proposed S.B. No. 812 An Act Concerning Electronic Health Records and Health Information Exchange;
Proposed S.B. No. 813 An Act Concerning Health Care Price, Cost and Quality Transparency;
Proposed S.B. No. 814 An Act Promoting Accountable Care Collaboratives;
Proposed S.B. No. 815 An Act Concerning Health Care Policy and Cost Containment;
S.B. No. 916 An Act Concerning Hospital Conversions;
S.B. No. 954 An Act Concerning Transparency of Executive Pay in certain Hospital Transactions;
and
S.B. No. 993 An Act Concerning Facility Fees.

I urge you to enact these bills as part of a comprehensive overhaul to our hospital system. The contortions that Waterbury Hospital has gone through for the last five years exposed the need for change and leadership that the state can and should provide. National currents and market forces are imposing change upon our hospitals and, if we just let the market decide the fate of our hospitals, consumers, patients and taxpayers will be harmed.

Thank you for your time and work on these important issues.